



March 6, 2019

City of Ann Arbor
 Wastewater Treatment Services
 49 S. Dixboro Road
 Ann Arbor, MI 48105

Re: New Pricing July 1, 2019 – June 30, 2022

Dear Keith:

Thank you in advance for the opportunity to continue to serve the City of Ann Arbor.

Our current per gallon agreement is at the rate of \$61.00; however, we have been extending to the City of Ann Arbor a price rate reduction down to \$57.00. We have able to provide this reduction because of raw material rate decreases and by improving internal efficiencies which reduced our per gallon US EPA costs.

D3W is committed to providing Planet Breeze to the City of Ann Arbor a per gallon maximum rate of \$62.00 through the contract dates above. This constitutes a savings of 10% versus our updated 2019 list price. **That said, it is our intention at a minimum, to continue extending our current reduced rate per gallon of \$57.00.**

The \$62 contract price offers some protection against unforeseen economic dynamics including accelerated raw material increases etc. In the event of any unforeseen economic dynamic, we could move toward the \$62 rate. As always, any invoiced price change due to these unforeseen market conditions would be discussed with you at least 30 days prior to any price change. **In summary, the proposed price per gallon rate for Planet Breeze will move from \$61 to \$62 (a 1.6% increase), but as a local partner, our intention (unless market dynamics change) is to continue extending our current reduced rate per gallon of \$57.00 which is less than our contract agreement.**

Year	Current		
	Current Published Rate/Gallon	Current Contract Rate/Gallon	Actual Rate/Gallon
2016-17	\$69.00	\$61.00	\$61.00
2017-18	\$69.00	\$61.00	\$61.00 to \$57.00
2018-19	\$69.00-70.00	\$61.00	\$57.00

Year	Actual/*Anticipated Structure		
	Current Published Rate/Gallon	Contract Rate/Gallon	Anticipated Rate/Gallon
*2019-20	\$70.00	\$62.00	\$57.00 to \$62.00
*2020-21	\$70.00	\$62.00	\$57.00 to \$62.00
*2021-22	\$70.00	\$62.00	\$57.00 to \$62.00

We continue to ask that purchases be made in orders of 275 gallons or greater.

We at D3W truly appreciate your business and the pride you and your staff put into running your facility.

Thank you, if you have questions please advise.

Regards,
 Nick

Nick Lionas
 D3W Industries |
 C: 248-798-0703
 F: 248-449-6247
 www.d3windustries.com